

**GOVERNMENT OF INDIA
COMMUNICATIONS
LOK SABHA**

UNSTARRED QUESTION NO:160
ANSWERED ON:23.07.2001
VSNL AND MTNL CELLULAR SERVICE
RAVINDRA KUMAR PANDEY

Will the Minister of COMMUNICATIONS be pleased to state:

(a) whether with the introduction of cellular/mobile telephone service by the Videsh Sanchar Nigam Limited(VSNL) and Mahanagar Telephone Nigam Limited (MTNL), the private mobile/cellular operators reduced the rentals of their mobile service as a result of which the Government mobile/cellular service has been affected from the income point of views; and

(b) if so, the steps taken by the Government to bring improvement in the Government mobile service and to make it competitive among the private mobile service operators?

Answer

THE MINISTER OF STATE IN THE MINISTRY COMMUNICATIONS (SHRI TAPAN SIKDAR)

(a) VSNL has not introduced any cellular/mobile telephone services. With the introduction of cellular/mobile telephone service by MTNL at comparatively reduced rates, private cellular operators have also reduced the charges of their mobile service. Rationalization of tariff in a competitive environment is aimed at enhancement of revenues through volumes. The net effect is to be seen over a period of time.

(b) Improvement in a new mobile service is a constant process and the optimization is being done.